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THE STORY AND PURPOSE OF JEWEL TEA CO., INC. + 1899 TO 1942 +

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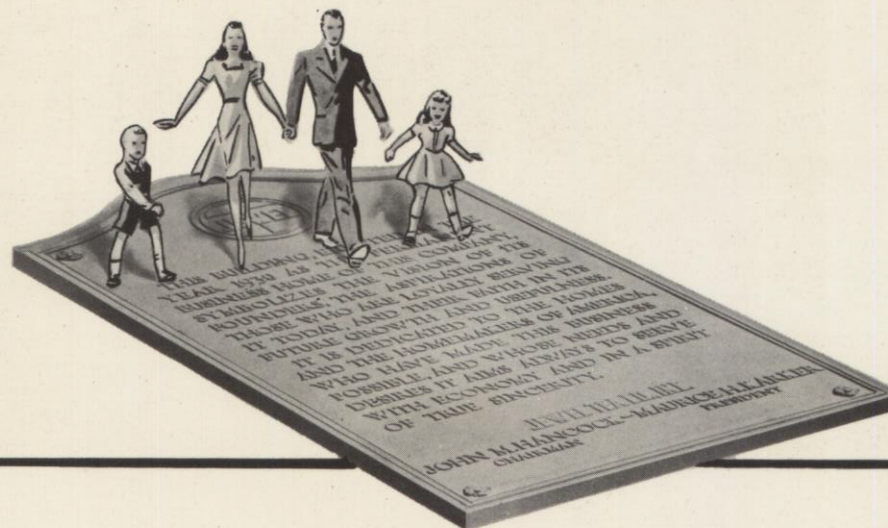
Better

Living

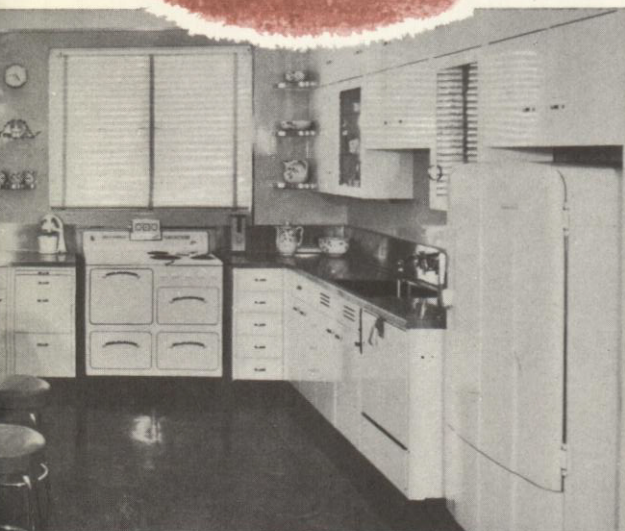
*for more people*











# Better Living

*for more people*

"Dedicated to the homes and the homemakers of America . . . whose needs and desires it aims always to serve with economy and in a spirit of true sincerity." So reads an inscription at the entrance of Jewel's headquarters build-

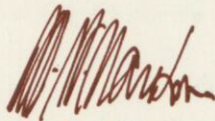
ing at Barrington, Illinois. Through 43 years of changing American life, in good times and bad, in peace and in war, Jewel people have held to an unchanging ideal of public service—winning *better living for more people*.

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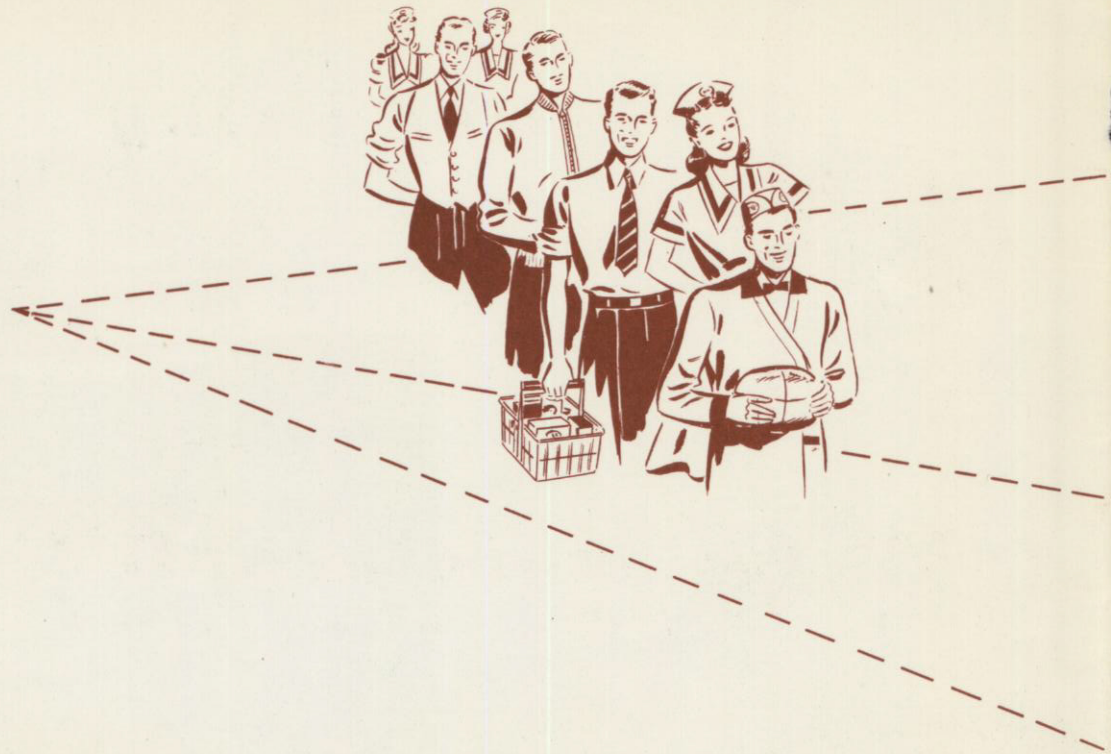


# *The Jewel Man Says*

**T**HIS company is engaged in an essential service—the distribution of wholesome food to a nation hard at war. This is the work for which we are equipped, in which we are experienced. There has never been a time when the health of the people was more important to the country, or their comfort more essential to morale. The men and women of Jewel dedicate their full energies and abilities to the job of providing “better living for more people,” and pledge the utmost economy and conservation in the performance of this task.



PRESIDENT





***better living***

***for more people***

***is our job***

This book is the story of Jewel people and their varied tasks in the pursuit of better living for more people. In our first pages we present those Jewel services planned especially to make better living come true . . . by improving standards of merchandise, creating new shopping satisfaction, and lowering the costs of distribution. Pages 4 to 9 tell this part of our story.

"Building a better mousetrap" isn't enough to bring better living to more people. Not waiting for the world to beat a path to its door, Jewel brings its service to an ever-larger public. Beginning on page 10 is the story of how Jewel grew from "a man with an idea, \$700, and a horse and wagon" to an organization which serves 44 states and combines the efforts of 4,348 employees and the resources of 6,098 stockholders.

Our report of Jewel's progress in the crusade for better living is completed on pages 18 to 23, where we introduce the people who carry the program forward and tell of some of the distinctive features of a job with Jewel. The folks of Jewel believe in the principle that "all there is to divide is that which we produce" . . . and they work hard to produce more for all America.





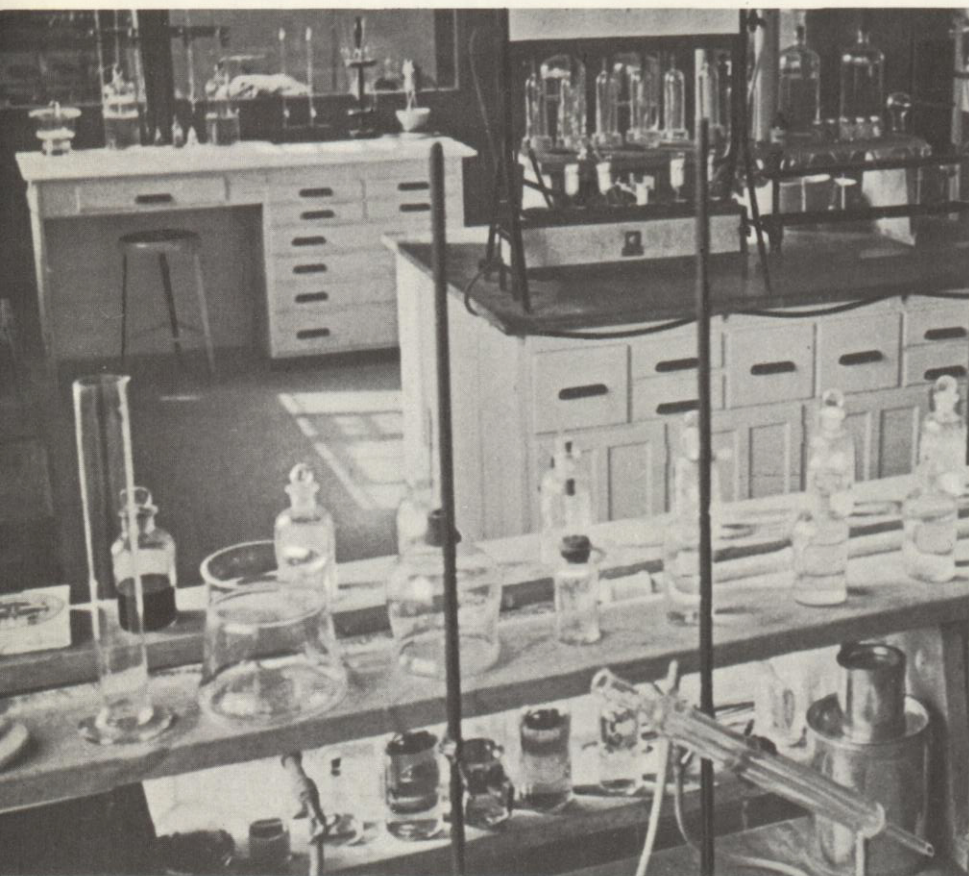
## ***the homemakers' institute promotes healthful living***

The war has focused public attention on the vital importance of nutrition to our national strength. Government leaders have asked food specialists to support the war effort with a vigorous educational program to raise the health standards of America. The Jewel Homemakers' Institute has answered the call and is contributing valuable co-operation.

The Homemakers' Institute is directed by Mrs. Leone Rutledge Carroll—or "Mary Dunbar" as she is known to the thousands who follow her recipes and recommendations. Mrs. Carroll has a Bachelor of Science degree in home economics from Milwaukee-Downer College and was formerly baking specialist with the United States Department of Agriculture. Her assistants are trained in their field and comprise a well-qualified staff.

Established in 1924 in the interest of Jewel customers, the Homemakers' Institute passes on every grocery and premium item before it is offered for sale. Customers have learned to respect the Mary Dunbar Seal of Approval. In *The Jewel News*, Mary Dunbar helps homemakers plan balanced family diets. Preparation of war-time meals is also emphasized in the popular cooking schools she conducts in many Jewel communities. Heading a government-sponsored committee, Mary Dunbar also assisted the defense program in a survey of jobs for women and girls in the food industry.





## *the chemistry laboratory is a guardian of quality*

Jewel's modern chemical laboratory provides a constant check on the quality of the company's products. Every item must meet Jewel standards—standards frequently higher than those established by government. Rigid tests are made to assure purity and superior performance and ceaseless research is carried on to develop new products or improved features which will bring better living to Jewel customers.

Working in close co-operation with the Homemakers' Institute, the chemistry staff has developed such quality food items as Jewel-Jell, Biscuit Flour, Imitation Vanilla Extract, Pure Lemon Extract, Devil's Food Cake Mix, Pud-N-Pie, vitamin-enriched Chocolate Malted Milk, and a patented Baking Powder with continuous leavening action. In the soap and toiletry field, Jewel chemists produced the basic formulas for Sara Lotion, Dental Cream, and Liquid Shampoo, and improved the popular Grano, an all-purpose household soap. An important field of the laboratory's activity is the testing of many products not manufactured by the company. Tests for butter fat content of canned milk, for nutritive value of various flours, for purity of tomato products, and for detergent qualities of soap products are but a few examples of the continuing protection furnished the consumer.



## *the most complete coffee service in America*



*Jewel has 43 years' experience in the coffee industry; photos show three steps in careful testing and processing methods.*

Energy running low? Coffee gives you a lift. Is the spirit flagging? Coffee cheers you up. Coffee helps you put more into life. It's the nation's favorite drink, essential to the morale and well-being of the people. That's why Jewel folks are proud to offer The Most Complete Coffee Service In America.

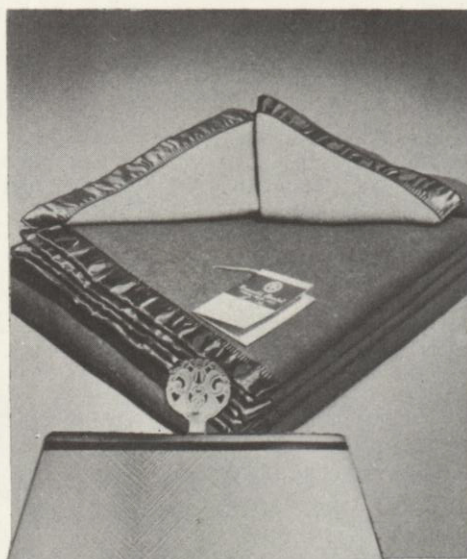
The American homemaker, realizing that "coffee makes the meal," demands good coffee, correctly made. To satisfy varying tastes, Jewel

offers three blends, each the finest of its kind. The selection and blending of Jewel Coffees are in the hands of skilled experts. Roasting is done by experienced men, using the most modern facilities. All Jewel Coffees are built to taste standards, not to a price. Their uniformity is maintained always. Because Jewel Coffees are delivered direct to the consumer, or to near-by Jewel Food Stores, freshness is insured without the necessity of vacuum-packing in tin cans—an

important saving of war material. A complete line of home granulators, canisters, coffee makers, and china and silver for serving is also provided the homemaker.

Jewel Coffee does an important job, too, in fostering better relations with our "good neighbors" to the south. In 1941, more than 25,000,000 pounds of Jewel Coffee were sold. Virtually all of it was imported from Central and South America. Coffee is truly the All-American drink.





## *finest premiums as extra savings*

"The premium method of merchandising will live as long as trade because it moves with the tides of the human heart."

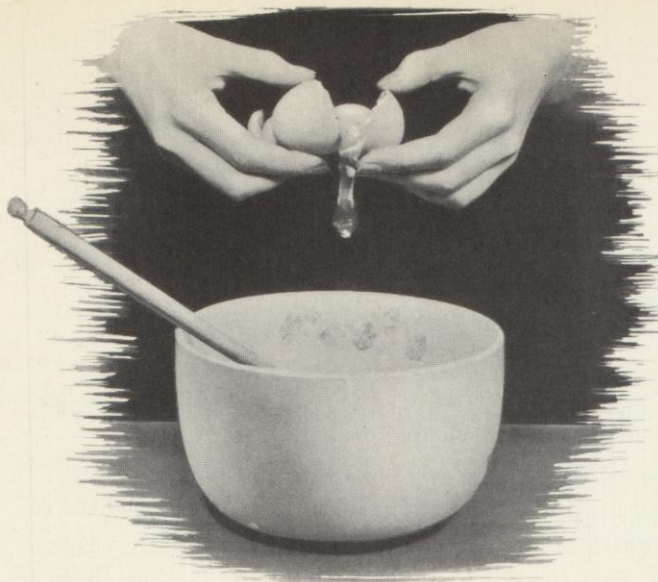
The foundation of Jewel's progressive growth lies in these words by Elbert Hubbard . . . for it was in the use of premiums that Jewel made a unique contribution to better living. Since the early years of the company, the premium has been *advanced* to the customer with her first order of groceries. The idea was original with the founders; their far-sighted vision and faith in the honesty of the people have long since been vindicated.

Under the thrifty Jewel plan of trading, homemakers obtain much-needed household equipment which, frequently, they could not otherwise afford. The customer selects her premium from more than 120 useful and attractive articles. It is delivered without additional cash outlay—for with each order of groceries she receives *profit-sharing credits* which apply toward the price of the premium selected. There are no coupons to save—the use of the premium is enjoyed at once. Since premium credits depend upon the amount of groceries purchased, the customer earns more premiums by spending more of her grocery dollars with Jewel.

All premiums are made to Jewel specifications by leading manufacturers. New items are accepted only after thorough test and trial use by the Homemakers' Institute. Advance market tests are made also, to make certain that the new premium has real utility and economy for Jewel customers. Constant search is under way for the latest, most useful articles. Today, of course, the materials used in Jewel premiums must not be vital to war production.

Route customers received \$2,924,843.88 in profit-sharing credits in 1941—a return of over 20 per cent on their grocery purchases.





## "Break Them *into the bowl*"

Homemakers in over 14,300 communities find better living through Jewel's direct-to-the-consumer service. They like the Jewel man's specialized line of quality groceries and the fine premiums he brings. In Chicagoland, where the company operates 147 food stores, housewives have voiced their approval of a different, though equally distinctive, Jewel service. Here shoppers come to clean, white Jewel Food Stores, where friendly people and pleasant surroundings make them feel at home. These complete markets carry 1,800 items in every store. Customers can suit themselves and serve themselves — everything is in plain sight and in easy reach. Prices are plainly marked, the same at every store. Jewel's country-fresh eggs typify everything sold in Jewel Food Stores—they're *so dependably good* you can "break them into the bowl."

1942		MARCH					1942	
SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.		
1 60	2 61 <small>Texas Independence Day</small>	3 62	4 63	5 64	6 65	7 66		
8 67								
15 74				19 79	20 79	21 80 <small>FIRST DAY OF SPRING</small>		
22 81	23 82	24 83	25 84	26 85	27 86	28 87		
29 88 <small>PALM SUNDAY</small>	30 89	31 90						

***coded for  
consumer protection  
and fast turnover***

Perishables are bought and shipped to Jewel stores daily. Staples are shipped bi-weekly. Canned goods are plainly priced and coded to insure movement of oldest stock first. The average Jewel store turns over its stock of merchandise once in every nine business days.



***economy  
and quality earn  
growing popularity***

Customers get more for their money in Jewel's private label merchandise. Mary Dunbar fruits and vegetables are comparable or better than brands which carry a Grade "A" label; Cherry Valley is equal or superior to Grade "B"; good wholesome Bluebrook is Grade "C" or better.





## "Ten Commandments"

**... suggested to Jewel by 18,000 housewives**

1. CLEAN AND WHITE . . . inside, outside, front and back . . . swept . . . and scrubbed . . . and shining.
2. FRIENDLINESS . . . the deep-down kind that comes from picking nice folks to work with us . . . and giving them a chance to get ahead.
3. SELF-SERVICE . . . easy-to-reach shelves, easy-to-read labels and prices, easy-to-get-around aisles, easy-to-wheel gliders, easy-to-get help—when you want it.
4. TRUE QUALITY . . . careful, critical, food buying, better-than-Government requirements, kitchen-testing of all big shipments.
5. FRESH PRODUCE . . . fast delivery every morning of all perishables . . . big refrigerators . . . everything ice-fresh.

6. LOW PRICES . . . because we're cash-and-carry . . . because we're big enough to buy in big lots . . . but most of all because our folks work as a team to avoid waste and save money for all of us.
7. RELIABLE WEIGHTS . . . and no funny business. No dried-out goods . . . no butcher's thumbs.
8. VARIETY OF FOODS . . . more good things to eat, more well-known brands, more variety in price . . . 1,800 items in every store.
9. UNIFORM PRICES . . . no tricks; everyday rock-bottom prices, exactly the same at all Jewel Food Stores.
10. JEWEL GUARANTEE . . . we will never knowingly disappoint you. Money back if you say so, and with the Jewel smile, too.



**real fun  
to shop in these  
streamlined stores**

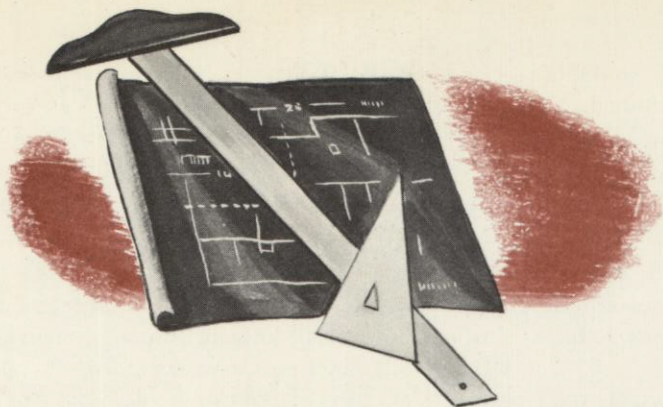
Roomy aisles make shopping at Jewel a pleasure. Fifty-seven Jewel stores were relocated or remodeled in 1940-1941. This program added to Jewel's reputation for modern, spick-and-span stores . . . and helped attract an average of more than 3,000 shoppers per week per store in 1941.



**fresh produce  
departments are  
conveniently placed**

The location of fresh produce in back of Jewel stores brought happier customers and operating economy. Racks are easily filled from storage refrigerators at rear; unsightly shipping cases are kept out of way; store traffic is better distributed by eliminating congestion in front.





## Our Plan *the growth of a service ideal*

In 1899 William McKinley was in the White House. At Manila, the year before, Admiral Dewey had destroyed the Spanish fleet. The world was taking notice of a youthful, enterprising nation. But the arrival of Frank V. Skiff in Chicago went unnoticed, for this young emigrant from the little settlement of Newton, Iowa, looked like no empire builder. Many merchants were going from door to door

with coffee and tea and spices, even as he. Nor did Frank Skiff excite great attention when he joined forces with his brother-in-law, Frank Ross, to launch a new business called the Jewel Tea Company. For the little company was started with \$700, a second-hand wagon, and a rented horse. Later they bought a new Studebaker wagon for \$50 down and were nearly ruined when the horse ran away and wrecked it.

1942 . . . and Franklin D. Roosevelt is president. As the year begins, another vivid page in history is being written at Manila by General MacArthur. But now there are 1,668 Jewel "wagons" and 147 Jewel stores . . . Skiff and Ross have contributed something new to American merchandising. Jewel has become an important factor in food distribution.

Sales promotion through the use of premiums had been practiced many years before Skiff and Ross. What the founders of Jewel did was to rescue this vital sales force from the itinerant huckster and to restore the premium to a position of unquestioned public confidence. This they accomplished by advancing the premium with the first order of groceries and placing an unconditional guarantee on both the premium and the merchandise. The company's fundamental ideals are expressed in a creed which begins: "Jewel is more than a big business; it is a service." This philosophy is ingrained in all Jewel people—in the route salesmen who call on their regular customers every two weeks, at the same hour of the day; and in the folks who staff friendly Jewel Food Stores.

Inspired by a history of growth, in 1940 Jewel people announced an objective of \$50,000,000 in 1944—a doubling of sales in four years.







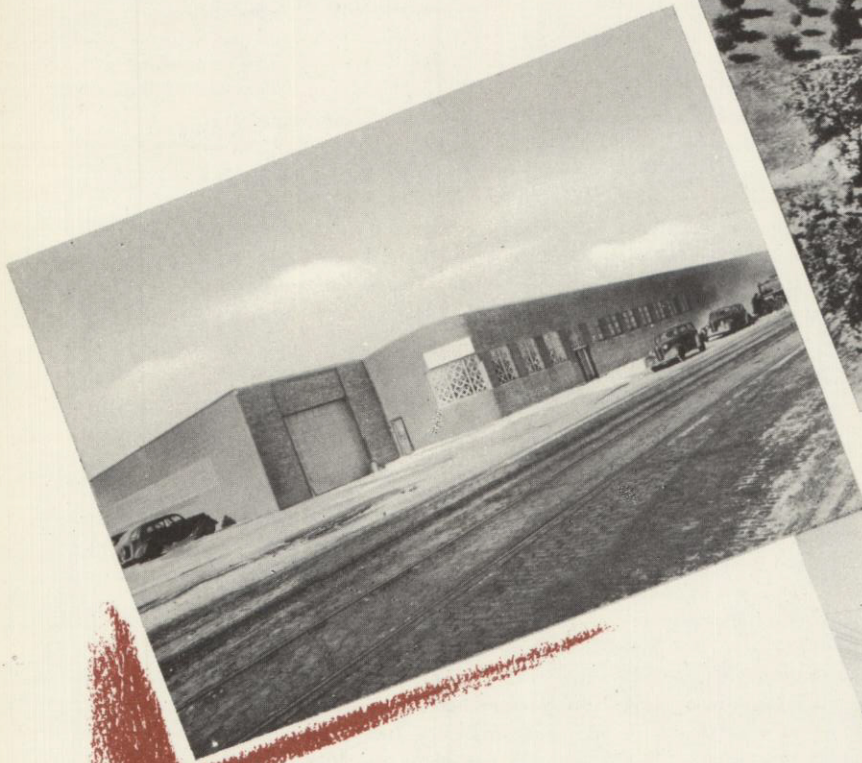
# Milestones

## of Jewel history

- 1899—Business founded in Chicago with \$700 by Frank Vernon Skiff.
- 1901—First store rented by Skiff and Ross, 643 E. 43rd St., Chicago. Initiated advancement of premium with first order of merchandise.
- 1903—Jewel Tea Company incorporated with capitalization of \$25,000.
- 1904—With 12 routes in Chicago, outside territory opened.
- 1905—Three-story building at May and Randolph Streets, Chicago, leased for packaging and distributing base.
- 1906—Capitalization increased to \$100,000. Manufacturing begun.
- 1909—First plant with complete coffee roasting facilities built at Ada and Washington Streets, Chicago.
- 1910—Capitalization increased to \$500,000. Sales hit million.
- 1916—Present company incorporated with capitalization of \$16,000,000. Common and 7% preferred stock listed on New York Stock Exchange.
- 1919—Expenses exceeded income. Indebtedness funded by issue of \$3,500,000 in gold notes. Dividends on preferred stock passed.
- 1920-22—Retrenchments made; gold notes paid off.
- 1923—Established chemistry laboratory and magazine for customers.
- 1924—Budgeting of branch expense started. Capital deficit wiped out.
- 1925—Accrued dividends on preferred stock of \$36.75 reduced \$7.
- 1926—Motorization of routes completed.
- 1927—Accrued dividends on preferred paid in full.
- 1928—All preferred called for redemption. First dividends on common.
- 1930—New home office and plant opened in Jewel Park, Barrington, Ill.
- 1932—Food store field entered by purchasing 81 stores in Chicago area.
- 1937—Warehouse at 3617 S. Ashland, Chicago, acquired for Food Stores.
- 1938—Jewel Retirement Estates created by board of directors.
- 1939—1744 employees joined J. R. E. during plan's initial year.
- 1940—Expansion program started with goal of \$50,000,000 sales in 1944. Packages redesigned. New color scheme adopted for route cars.
- 1941—Issued \$5,000,000 in 4¼% preferred stock. New Los Angeles plant put in operation; new Chicago and Barrington buildings started. Pacific Northwest territory opened. Sales passed \$41 million.



*Air view, at right, shows location of new coffee plant (early in construction) in relation to main Barrington building. Picture in inset shows the three-story coffee processing unit near completion.*



*This new, streamlined warehouse in Chicago handles all dry groceries for fast-growing Jewel Food Stores.*



*Jewel's new Los Angeles plant, at left, processes coffee and ships groceries to far western routes.*



## Building *to meet a \$50,000,000 goal*

A three-part building program was started in 1941, in Los Angeles, Chicago, and Barrington, for the continued growth of company sales required more space for storage, processing, and assembling.

Tonnage handled by Jewel Food Stores in 1941 was approximately three and one-half times as large as that of 1932, although the space in which to handle goods had been increased only 40 per cent during those years. The 1941 tonnage of the Barrington plant was 37 per cent over that of 1931, but during that decade only nine per cent more room was provided. A further need for storage space was created by delays in supply and transportation growing out of the war. Larger inventories in reserve became necessary. At one time in 1941 green coffees in storage were the heaviest in 20 years. Experience showed that customers could be served more efficiently and economically from company-owned plants and central warehouses than from leased properties.

The first step toward providing adequate facilities for the expanding needs of the business was the erection of a one-story building at 6626 10th Avenue in Los Angeles. With its occupancy in the fall of 1941, 27,000 square feet were made available for servicing the West Coast area. At the close of 1941 the plant was processing coffee and shipping groceries for 165 Jewel routes.

The congestion of Food Stores operations was relieved with the construction of a modern warehouse at 51st Street and South Kedzie Avenue in Chicago. This one-story structure is 564 feet long and 316 feet wide, set on grounds having an area in excess of 383,000 square feet. The building was put in operation early in 1942. Only dry groceries are handled in this location. To assist in the rapid assembly of groceries, merchandise is arranged much the same as in the stores. The transfer of these operations to the new warehouse provided reserve storage space for annual pack crops, larger facilities for fresh fruits and vegetables and dairy produce, and enlarged, modernized offices in the building at 3617 South Ashland Avenue. Work on these improvements is in progress.

Barrington's production and storage problems were eased by erecting a specialized coffee plant on property already owned by the company to the east of the main building. All coffee storage, processing, and packaging operations are being concentrated in the new unit, releasing space on all floors of the original building. The structure includes a three-story processing plant, containing 64,000 square feet, and a one-story green coffee warehouse which provides 36,000 square feet. High head room in the single story section permits maximum utilization of floor area.



# Sales Services



**D**EAN INGE, the English philosopher, said that there is no greater disloyalty to the pioneers of human progress than to refuse to budge an inch from where they stood. Jewel people feel like that about their job of bringing better living to more people.

They are alert and resourceful in all the work they do. A progressive spirit has extended the company's field of operations from one Chicago neighborhood to more than 14,300 communities. With its expansion, the company's assets grew from "an idea, \$700, and a horse and wagon" to more than 16 million dollars. The Jewel family increased until there were 4,348 permanent employees at the end of 1941.

A major expansion in the number of sales units was carried out during the past two years, as the table on the left shows. Altogether 115 routes and

END OF YEAR	ROUTES	STORES	MAR-KETS
1922	994	—	—
1923	998	—	—
1924	1030	—	—
1925	1059	—	—
1926	1090	—	—
1927	1096	—	—
1928	1121	—	—
1929	1215	—	—
1930	1280	—	—
1931	1334	—	—
1932	1340	85	—
1933	1385	84	2
1934	1462	87	8
1935	1514	87	12
1936	1535	100	18
1937	1550	109	32
1938	1550	109	40
1939	1553	116	54
1940	1608	132	100
1941	1668	147	142

*The familiar coffee brown and cream colored cars each serve about 50 families per day. Sixty more Jewel routes were put in operation during 1941.*



*Here's another sparkling white Jewel Food Store, filled with good things to eat for hard-working Chicagoans. Fifteen stores were added in 1941.*





# and Territories *have expanded*

31 stores were added in 1940 and 1941. In the same period 88 markets were added in new or existing stores. One route developed early in 1941 carried Jewel into its 43rd state, Montana. In the fall branches were opened in the Pacific Northwest—at Salem, Oregon, and Spokane, Washington. The latter branch marked Jewel's entry into a 44th state.

The location of each new route and new store is based upon thorough investigation. Most new routes result not from the opening of virgin territory but from the concentration of existing routes. Jewel's

concentration procedure has a three-fold objective of increasing the number of units, obtaining more sales from the same territory, and reducing route mileage. Physical inventories of the territory are made to determine the number of Jewel-type homes available for a route, the effect of foot traffic and parking facilities on store locations, etc. While war conditions will restrict the continuance of the company's expansion program, new units will be added where they will serve our country's interest, as locations and equipment are obtainable.



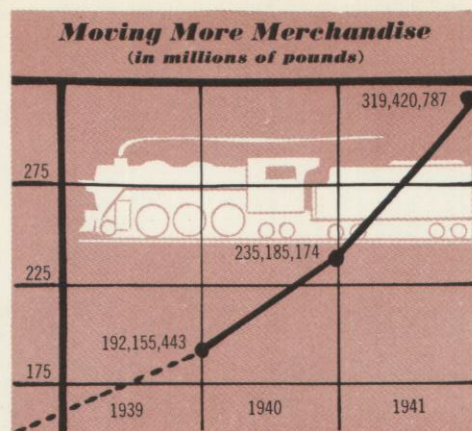
Advance Salesman W. C. Pearce of the new Spokane branch is shown introducing Jewel service to Mrs. Sanford Collins, our first customer in the state of Washington.

*Genuinely proud of their 10-year record of growth, Food Stores folks gather from all parts of metropolitan area to celebrate each new store opening.*

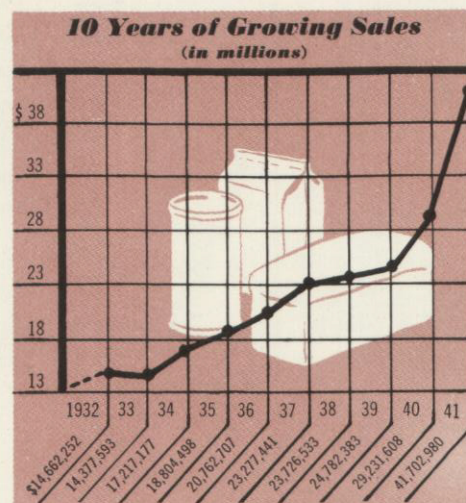
*Jewel's "really top quality meats" attracted more than 1,400 meat customers per week per store last year. Forty-two new markets were added in 1941.*







*The large increases in the volume of goods handled are evidence that homemakers have found better living through Jewel service.*



*Jewel sales have risen steadily since 1933. The formal certified corporation report is available to all, upon request addressed to Jewel Tea Co., Inc., Barrington, Illinois.*

# Capitalization History

The present capital structure of the company consists of 560,000 issued shares of no par common stock and 50,000 shares of \$100 par 4¼% cumulative preferred stock.

At the time of incorporation in 1916, capital consisted of 40,000 shares of 7% cumulative preferred stock, \$100 par, and 120,000 shares of common stock, \$100 par. During each of the years 1917, 1918, and 1919, 1,200 shares of preferred stock were purchased for redemption, these 3,600 shares being retired on May 1, 1924, when the authorized preferred shares were reduced to 36,400. The issue was completely redeemed during 1926, 1927, and 1929, with redemption of 6,400, 4,400, and 25,600 shares, respectively, in these years.

In 1925, the common stock was changed to no par value and exchanged on a share-for-share basis. The authorized common was increased from 120,000 to 300,000, in December, 1928, and in January, 1929, an additional 40,000 shares were sold to stockholders at \$100 per share, based on one share for each three held previously. A 75% stock dividend in 1929 raised the shares outstanding to 280,000. In 1940 a two-for-one stock split advanced the outstanding shares to 560,000 and the shares authorized to 600,000.

In September, 1941, an issue of 50,000 shares of 4¼% cumulative preferred stock, \$100 par, was sold with a return of \$102.25 per share net to the company. A sinking fund will provide for the redemption of 1,000 shares per year beginning in 1943.

## DIVIDENDS

The initial dividend on common stock was paid on April 16, 1928. Payments have been made regularly since then, the dividend of March 20, 1942, marking the 57th consecutive quarterly payment. The first dividends were at the rate of \$4 per share on the 120,000 shares. When the shares outstanding were raised to 280,000 in 1929, the rate was set at \$3 and this figure was maintained through January, 1931. Subsequent payments were at a yearly rate of \$4 until January, 1933, when the \$3 rate was resumed. The rate again became \$4 in April, 1936, and continued until January, 1940, when a \$2.40 rate was established on the increase to 560,000 shares, equivalent to \$4.80 on the 280,000 shares previously outstanding.

Since 1928, common stockholders have received 14 cash dividends besides the regular quarterly payments. The individual amounts ranged from 50c to \$2 per share and totaled \$13.25. One or more of these 14 dividends was paid in each of the years 1928-31, inclusive, and 1934-39, inclusive.

## EARNINGS ON COMMON STOCK\*

1916.....\$2.64	1925.....\$1.50	1934.....\$2.22
1917.....2.41	1926.....2.25	1935.....2.74
1918.....1.24	1927.....2.25	1936.....3.20
1919.....d. 3.30	1928.....2.73	1937.....2.59
1920.....d. 3.90	1929.....3.02	1938.....2.54
1921......57	1930.....3.05	1939.....2.83
1922......27	1931.....2.44	1940.....2.82
1923.....1.11	1932.....1.88	1941.....2.60
1924.....1.53	1933.....1.62	

\*Based on 560,000 shares. d=deficit.





# Our Part in the job ahead

These are days in which every American is asking, "What can I do to help win this war? Where can I make myself count?"

Jewel's job is the distribution of nourishing food to the home front. Jewel people are trained and fitted to perform this essential service for the country . . . to give the public not rich living, but better living . . . to contribute to the health, strength, and high morale of the people. A substantial number of the company's customers live in rural areas, where stores are not readily accessible. Delivery service to these, and to all of the homes served by the Jewel route salesman, helps to eliminate additional trips to market and contributes to the conservation program. A tradition of continuing service to customers in spite of all emergencies and hazards has been upheld through the years. This policy, which has been of greatest help to many communities in times of disaster, can be depended upon again in this national crisis. In 1941 the company's taxes totaled almost two and one-half million dollars—\$594.72 for every employee. With the taxes paid by its employees and the workers in industry supported by Jewel, the business makes an important contribution to the sinews of war. Revenue from civilian industry is the vital safeguard of "the things worth fighting for."

## Taxes to Beat the Axis

Year	Total	Per Share Common Stock*	Per Employee
1932	\$ 248,457	\$ .44	\$ 87.57
1933	426,897	.76	129.23
1934	589,069	1.05	176.13
1935	676,717	1.21	201.70
1936	850,605	1.52	246.52
1937	991,908	1.77	270.70
1938	1,100,415	1.97	298.22
1939	1,137,256	2.03	313.71
1940	1,440,169	2.57	376.23
1941	2,430,380	4.34	594.72

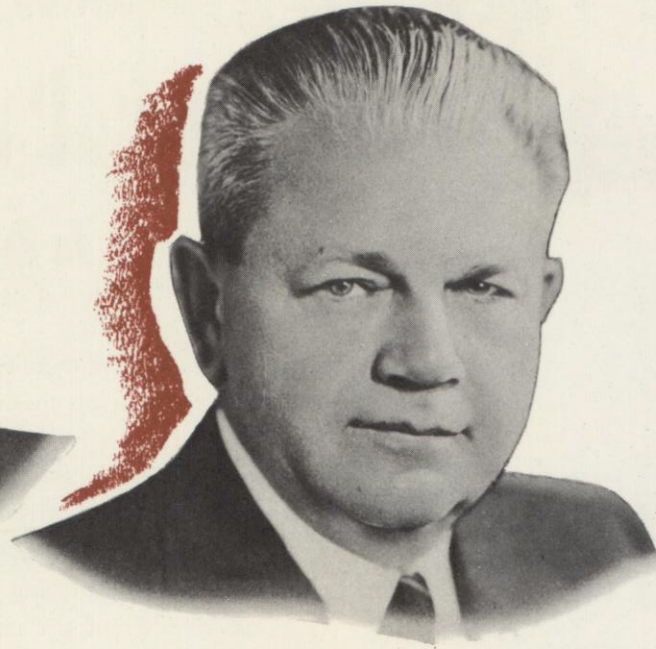
\*Based on 560,000 shares





**JOHN M. HANCOCK**

John M. Hancock is an active partner in the banking firm of Lehman Brothers. He is a director of Sears, Roebuck & Co.; The Flintkote Company, Inc.; Kroger Grocery and Baking Co.; International Silver Co.; American Stores Co.; W. T. Grant Co.; Bond Stores, Incorporated; S. H. Kress & Co.; Van Raalte Company; Brunswick-Balke-Collender Company; Kimberly-Clark Corporation; The Lehman Corporation; A. Stein & Company; The United States Playing Card Company; Van Camp Milk Company; Underwood-Elliott-Fisher Company; and National Surety Corporation. Mr. Hancock came with Jewel in 1919, following a distinguished career in the navy beginning in 1904; successively he was elected vice president, member of the board of directors, treasurer, and in April, 1922, president. In July, 1924, he resigned to join Lehman Brothers and became chairman of Jewel's board of directors.



**M. H. KARKER**

M. H. Karker was born in Schoharie County, New York, in 1886. He received his early education in this vicinity, enlisted in the navy soon after graduation from high school, and earned his commission before he was 21. In the first World War he was on duty at the navy supply depot in New York and at the supply base at Brest, France. On his return to the United States he was officer in charge of the Provisions and Clothing Depot at New York. He received three citations, one for the Legion of Honor and two for the Distinguished Service Medal. In 1922 Mr. Karker left the navy and shortly thereafter joined the executive staff of Jewel. During 1923 he was elected a member of the board of directors and named vice president in charge of administration. He has served as president since his election to that office in July, 1924.

## *directing the*



**HENRY S. BOWERS**

Henry S. Bowers is a partner in Goldman, Sachs & Co. and is a director of Pillsbury Flour Mills Co.; Munsingwear, Inc.; S. H. Kress & Co.; Endicott-Johnson Corporation; Archer-Daniels-Midland Co.; Minneapolis-Moline Power Implement Company; The Cream of Wheat Corporation; Truax-Traer Coal Company; United Biscuit Company of America; The Champion Paper and Fibre Company; Wayne Knitting Mills.



**A. U. HUNT**

A. U. Hunt, controller, began his Jewel work in the expense section in 1924. Throughout his career he has been part of the company's accounting and finance organization. Assigned to work on president's control records in 1925. Made general accountant in 1931, assistant treasurer two years later. Promoted to the office of controller in 1934 and elected a member of the board of directors in 1941.



# plan of *Better Living* for more people



A. VERNON JANNOTTA

A. Vernon Jannotta, member of family which founded firm and directed its development for 20 years, came with Jewel in 1919. Held key sales and operating positions; successively assistant to the president, assistant secretary, and secretary. Resigned in 1926, to engage in business for himself. He is also a director of Tapp, Inc., and of West Counties Construction Co.



C. W. KAYLOR

C. W. Kaylor started with Jewel as a route salesman in 1922. He rose to various executive positions, including chief of personnel, assistant general sales manager, general sales manager, and vice president in charge of public relations. Retired from active service in 1941. Member of board of directors for nine years. Mr. Kaylor was elected president of National Retail Tea and Coffee Merchants Association, 1941.



E. E. RICHARDS

E. E. Richards is assistant to the president of The Studebaker Corporation, a position he has held since March, 1941. Graduated from Dartmouth College and from Harvard Graduate School of Business Administration. For 14 years he was a member of the industrial department of the investment banking firm of Lehman Brothers. Elected to Jewel's board of directors in 1937; also director Van Camp Milk Company.



WALTER E. SACHS

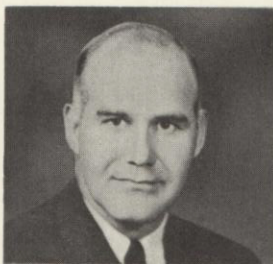
Walter E. Sachs has been a partner in Goldman, Sachs & Co. since 1910. He was graduated from Harvard in 1904. Studied law at Harvard Law School 1904-1905. Studied foreign banking methods in London, Paris, and Berlin 1906-1907. Also director of the following companies: The May Department Stores Co.; Brown Shoe Co., Inc.; Merck & Co., Inc.; Lehn & Fink Products Co.; and Barker Bros., Inc.



ROBERT R. UPDEGRAFF

Robert R. Updegraff is a business counselor, serving several of America's leading corporations in an advisory capacity. He is the author of numerous books dealing with business and related fields and is frequently a contributor to the periodical press. Former editor of *The Magazine of Business*, Chicago. He is also a director of Scarsdale National Bank and Trust Company and of W. T. Grant Co.





P. B. BOYD  
*Executive Vice  
President—Routes*



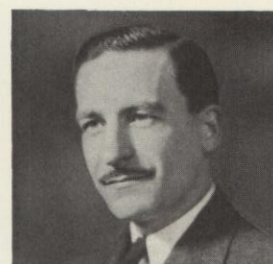
F. J. LUNDING  
*Executive Vice  
President—Stores*



ROBERT HILTON  
*Vice President  
Administration*



J. M. FRIEDLANDER  
*Treasurer*



T. EDW. DAVIS  
*Secretary*



C. N. WATKINS  
*Manager  
Public Relations*



W. D. SMITH  
*Assistant to  
the President*



J. M. O'CONNOR  
*Assistant to  
Chairman of Board*



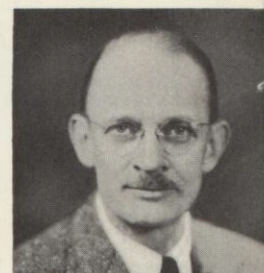
C. B. ALLYN  
*Assistant  
Controller*



R. E. STEVENS  
*Assistant to  
the President*



R. D. STURTEVANT  
*Assistant  
Secretary*



C. A. LARSON  
*Assistant  
Secretary*



# Honor *to whom honor is due*



*Front Row:* M. A. Unger, Herbert Hahn, J. E. Turner, Anna Malmquist, F. R. Bond, C. E. Crawford, Charles Thomas, D. E. Shields, Helena Smith, H. T. Brake, A. J. Roberds, W. A. Gifford, L. G. Hubbard, S. P. Turnipseed, O. J. Jarboe, G. B. Jackson. *Back Row:* Charles Smith, J. P. Lamb, A. J. Hedley, H. H. Hight, Chas. McDaniel, W. D. Smith, Joseph Buschek, C. C. Hiatt, J. C. Gellatly, G. W. Hoag, F. L. Clancy, E. H. Stenson, J. W. Grummett, William Noyes, M. C. Dewey, H. J. Pickell, J. W. Dalton, Lorena Krach.

## **Legion of Safety**

At the end of 1941, Legion of Safety emblems were displayed on 602 company cars, by salesmen whose no-accident records totaled 1,894 years. Jewel men are considerate drivers and they never take chances.

## **25-Year Club**

On January 3, 1942, Jewel paid tribute to the men and women whose faith and industry have made possible the accomplishments of today. From all over the country members of Jewel's 25-Year Club came for their sixth get-together. Gold watches, symbolizing a quarter century of service, were presented to the new members. Beginning in 1928 with two charter members, the group now includes 41 men and three women; 33 are still in active service.



# *Not by bread alone...*



*"Mike" Danehe was a route salesman in Los Angeles until November, 1941. Now retired, he is pictured with his son, who attends college. "Mike" belonged to Jewel Retirement Estates for three years. His membership resulted in a benefit check of \$987.57.*

Jewel endeavors to provide year-round employment and to put full wages into the weekly pay envelopes of its people. In 1941 the total compensation to employees, including profit sharing, was \$7,329,242.17, an increase of 23 per cent over 1940. Approximately three out of every five employees are virtually in business for themselves, because their pay is directly related to sales production.

While much attention is given to pay and an earnest effort is made to increase employees' earnings, Jewel also recognizes in its personnel practices that "man does not live by bread alone." A broad program of employee benefits has been developed to promote the security, health, and happiness of Jewel people.

In 1938 a combined profit-sharing and savings plan, known as Jewel Retirement Estates, was established for the benefit of employees. Eligibility is limited to persons 21 years of age and over with one or more years of company service. Participants deposit from



\$1 to \$4 per week in the trust and the company each year adds 25 per cent of net earnings in excess of \$1.50 per share on its common stock. After three years of operation, \$351,028 has been saved and placed on deposit by the members. The company has contributed \$778,790.33 out of profits. At the end of 1941 there were 1,955 members, or more than 79 per cent of the employees eligible. Balances over \$1,000 were credited to the accounts of 255 members. Sixty-one members have retired or otherwise qualified for the full amounts of their accounts. The trust fund totaled approximately \$1,081,519 at January 5, 1942.

Since 1920 the company has carried group life insurance on all employees with one year or more of service. At the end of 1941, insurance totaling \$1,932,250 was in force on the lives of 2,541 employees. The benefits, covering death or total and permanent disability, increase with the years of service. Jewel pays the entire premium cost without contribution on the part of employees.

Other assistance is extended to Jewel families in time of need, in the form of emergency loans at a low rate of interest and through sickness benefits. \$26,123.81 was paid to employees as sickness compensation in 1941.

The importance of health to personal happiness and business progress is emphasized. New employees are required to furnish evidence of good health through pre-

employment medical examinations. Vacations with pay, varying with the term of service, provide employees with a period of rest and recreation each year.

All employees who enter the armed forces, either by voluntary enlistment or by call of the government, are placed on leave of absence. When the employee returns to active duty with the company all service benefits are reinstated in full amount as though the employee had worked continuously. Insofar as possible, the company maintains contact with men in the service, through correspondence, regular mailing of the employee magazine, *The Jewel*, and remembrances on special occasions. At the end of 1941, 124 Jewel men had been called to the colors, a number which has grown steadily since that time. Jewel is proud that its associates can help to preserve the opportunity of all future Americans to work as free men toward the goal of better living.







### JEWEL AT A GLANCE



These 44 states enjoy  
Jewel's home service



Chicagoland shops at  
147 Jewel Food Stores



Home office and main  
plant at Barrington, Ill.







**THE END OF  
A JEWEL DAY**

*Night falls over Jewel Park . . . and a day of service is added to a 43-year career. With another dawn Jewel people will set out on an unending, rising road—to better living for more people.*

